

Prudential Foundation Loan to Spur New Development

The Prudential Foundation has approved one of its largest low interest loans to Newark LISC to aid local CDCs in their ability to move forward projects in their pipeline. The \$2,000,000 loan will be used to help Newark CDCs develop projects under consideration.

The loan was made through Prudential's Social Investment Program. The program targets projects that provide the greatest social impact for individuals and communities that do not qualify



Corinthian Housing Development Corporation's attractive two-and three-bedroom affordable townhouses have been a welcomed addition to the Central Ward.

under mainstream lending guidelines. Since its inception, the program has made more than \$685 million in equity and debt investments to non-profit and for-profit ventures. Current outstanding investments benefit people in 288 cities and towns in 29 states. A significant amount of its funding has been invested in New Jersey and Newark based projects.

"The Prudential Foundation is proud to support Newark LISC. We are committed to its vision and the local community develop-

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Victoria Grant Paves Way For Interest Free Loan Fund

The Victoria Foundation, an anchor for scores of Newark programs and projects, has made a historic grant of \$250,000 to Newark LISC, of which \$200,000 is to be used to establish a permanent revolving pool of funds for pre-development expenditures. Newark CDCs will be able to apply for the Victoria Fund's interest-free loans beginning this spring. Loans must be repaid when a project reaches construction. The replenished funds will then be used for other pre-development projects.

"Since its inception in Newark, LISC has significantly helped Community Development Corporations created for Newark residents," said Catherine McFarland, Executive Officer of the

Victoria Foundation. "It is our hope that this revolving fund will further enable LISC to continue to improve the physical environment within the city."

The Victoria Foundation has been resolute in its support for the work Newark LISC has undertaken. In the spring of 1995, the Foundation awarded Newark LISC with a \$50,000 grant to help fund the organization's Capacity Building program for 12 months. The grant, combined with other resources, enabled LISC to help local CDCs increase their production of affordable housing units. By the year's end, Newark LISC had



Michael Rubinger, LISC Executive Vice President and COO and Catherine McFarland Victoria Foundation Executive Officer.

committed more than \$3,000,000 in grants and loans to an expanding list of CDCs.

In December 1996, the Victoria Foundation granted another \$50,000 for the continuation of capacity building programs.

City of Newark Pledges Major Grant for Capacity Building Program

For the first time, the City of Newark will join other members of the Newark Collaborative in pledging support for Newark-based community development corporations. LISC will leverage a \$500,000 grant commitment from the City to establish a \$1 million pool to fund capacity building needs of non-profits within the Empowerment Zone.

Newark LISC will provide a dollar-for-dollar match of Empowerment Community funds over three years. The objective of the program is to fund ten Newark CDCs for the completion of 200 new or rehabilitated houses.

"Community Development Corporations play a strong role in the City's long-term commitment to redevelopment and, ultimately, to its success," said Newark Business Administrator, Glenn Grant. "This

collaboration will assure that the organizations have the requisite training, skills and support to revitalize Newark's neighborhoods."

Eight Empowerment Community neighborhoods have been designated for assistance. The funds will be used to assist groups that have built or restored homes for low- and moderate-income families. Organizations that are currently working on their first affordable housing projects and agencies that partner with Newark-based CDCs to provide services for clients are also eligible to apply for capacity building funds.

Funds will be administered by Newark LISC and disbursed through the Newark Collaborative, which will review proposals twice a year. For further information, call the LISC office at 624-6676.



This one-family, three-bedroom Victorian house was a gutted rehabilitation project of Unified Vailsburg Services Corporation.

Newark LISC

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Second Decade for Newark LISC Programs

The Newark LISC program began in 1987 when 19 corporations and banks contributed \$450,000 to a local fund supplemented with \$350,000 by the National Local Initiatives Support Corporation. During the past ten years, Newark LISC has attracted nearly \$21 million to low-income communities in Newark and throughout New Jersey. These

dollars, in turn, have leveraged another \$30 million from public and private financing sources, resulting in an investment of \$50 million for affordable housing and local economic development projects.

In the past decade, Newark LISC has assisted local CDCs in the production of a total of 504 affordable housing units. Gerard Joab,

program director noted: "We are very fortunate and extremely pleased to have the commitment of the Victoria Foundation and The Prudential behind our efforts. Nevertheless, we need more companies and organizations like them to help us rebuild and revitalize Newark. We're off to a great start, but the hardest work is still ahead of us."

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ment corporations it supports," said Gabriella M. Coleman, President of The Prudential Foundation. "This public private partnership is helping to create dramatic change in New Jersey's largest city, home of Prudential's headquarters."

Currently, more than 340 units of housing are under construction by LISC-sponsored Newark CDCs, another 235 are in pre-development and 1,190 units are in the planning stages. Approximately 14,000 square feet of commercial space is under construction with an additional 225,000 square feet in pre-development.

In the Pipeline:

Newark's CDCs have hit the ground running in 1998 to advance projects in their pipelines. Community Urban Revitalization Enterprise (CURE), a new CDC located in the Central Ward as well as in the Empowerment Zone, is planning the development of Horizon 2000 Apartments, a complex consisting of 22 two- and three-bedroom rental units. Corinthian Housing Development Corporation, building on the success of its trendy but affordable townhouses, intends to construct 40 rental units and 30 for-sale properties on vacant city-owned lots in its target area. It has also acquired a 40,000 square foot building to convert into a health care and educational facility.



A row of historic limestone townhouses were renovated by St. James CDC as low-income rentals for families.

Dormus, Inc., is in the pre-development stage of building 25 units of affordable housing. Habitat for Humanity Newark Inc., a Central Ward CDC, is in the process of developing 32 units of housing.

La Casa de Don Pedro is preparing to build 10 to 15 two-family homes in their 100-block development area in the North Ward. Metropolitan Ecumenical Ministry (MEM) will soon break ground for the construction of 24 to 30 housing units in the Roseville section of Newark.

St. James Community Development Corporation, a

stabilizing factor in the lower Broadway section of the North Ward, has begun development on 17 units of housing. Tri-City People's Corporation, announced plans to develop 200 units of for-sale townhouses. Unified Vailsburg Services Organization, a solid force in the revitalization of for-sale homes in the West Ward section of Newark, is undertaking the rehab of 13 two-family homes. United Community Corporation/New Community Corporation, has committed resources to develop 65 units of senior rental housing and 30 units of single family for-sale housing in the Central Ward.

Profile

For Nesta Jenkins, a first time home owner in the Vailsburg section of Newark, the process of purchasing her three-story, two-bedroom home was somewhat frustrating, but the end results made it all worthwhile. Through an aggressive program sponsored by Unified Vailsburg Services Organization, Mrs. Jenkins, her husband and two children, were able to move into a home they could afford. In fact, their mortgage payment is only \$21 more than the amount they previously paid in rent. Mrs. Jenkins credits Vailsburg Director of Housing, Lenny Robbins, for making the deal happen.

"The house is really nice, but it was a long process," recalls Nesta Jenkins. "Just ask Lenny. He

helped me out a lot. I wish there were more people like him. He really took the time to help me with the bank applications. I went to three different banks before I was approved."

Two years after her initial inquiry, Mrs. Jenkins closed on a \$67,000 house last summer, a newly completed renovated structure with a basement and attic. Mrs. Jenkins, 36, had lived in Newark for over 20 years when she and her husband decided to pursue their dream of owning a home.

"It's a nice change," she said. "The backyard is huge and I have a garage that I can pull my car into. It's much better than where we were living before. My kids love it."



CALENDAR

May

- 13 Newark Community Development Network Board Meeting
- 13 Episcopal Community Development Homeownership Workshop
- 13 St. James Personal Money Management Workshop
- 20 Newark Local Advisory Committee Meeting
- 20 Episcopal Community Development Homeownership Workshop
- 25 Newark Master Plan Workshop

June

- 6 Metropolitan Ecumenical Ministry Faith Based Economic Development Conference
- 10 Newark Community Development Network Board Meeting
- 22 Newark Master Plan Workshop

Newark LISC provides financial and technical capacity for Newark-based Community Development Corporations to enable them to pursue redevelopment projects and service programs that will help to revitalize Newark's neighborhoods.

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